## STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: FLATLANDER INDUSTRIES, INC.,

D/B/A BUSINESS BUILDERS, 3R PRODUCTS, INC., RICHARD L.

EIKENBERG AND TRENT M. ROUSEY

) FILE NO: 05000573

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## CONSENT ORDER

TO THE RESPONDENTS: Flatlander Industries, Inc.

Richard L. Eikenberg

C/o Darrell L. Hartweg

Attorney at Law

Hartweg, Turner, Wood & Simkins, PC

207 W. Jefferson St, Suite 400 Bloomington, Illinois 61702

WHEREAS, Flatlander Industries, Inc. and Richard L. Eikenberg on 26 October, 2006 executed a certain Stipulation To Entry Of Consent Order (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, the Respondents have admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing in this matter and the Respondent has consented to the entry of this Consent Order.

WHEREAS, the Secretary of State, by and through his designated representative, the Securities Director, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceeding.

WHEREAS, the Respondents have acknowledged that the allegations contained in paragraph seven (7) of the Stipulation shall be adopted as the Secretary of State's Findings of Fact as follows:

## (Violations of Section 12.A, C and D)

- 1. Flatlander Industries, Inc. is an Illinois Corporation doing business as Business Builders with a last known address of 115 E. Monroe St. Bloomington, Illinois;
- 2. Richard L. Eikenberg is the President of Flatlanders Industries, Inc;
- 3. 3R Products, Inc. is an Illinois Corporation with a last known business address of 206 W. Miller St. Bloomington, Illinois;
- Trent M. Rousey is the President of 3R Products, Inc;
- 5. Sometime between August and September 2005, Flatlander Industries, Inc. and 3R Products, Inc. sent or caused to be sent through the mail a letter offering an investment in 3R Products, Inc. to approximately 325 individuals with residences in Illinois;
- 6. On or about 9 October 2005, through a newspaper advertisement in the Bloomington Pantagraph, Flatlander Industries, Inc. and 3R Products, Inc. offered for sale an investment in 3R Products, Inc. with a purported 17-18% return on investment;
- 7. Richard L. Eikenberg from the time period of September through October 2005 met with at least 6 Illinois resident individuals to offer and solicit an investment from these individuals in securities issued or issuable by 3R Products, Inc;
- 8. As a result of the above-referenced activities, 2
  Illinois individuals entered into two promissory notes
  issued by 3R Products, Inc. The first note was for
  \$10,000 with a one-year term and a 15% annual percent
  rate. The second was for \$30,000 with a three-year
  term and an 18% interest rate. Both notes were signed
  by Trent M. Rousey as President of 3R Products, Inc;
- 9. Flatlander Industries, Inc. billed 3R Products, Inc. received \$6,635 for its services in raising capital

for 3R Products, Inc. and on account of the sales of securities cited in paragraph 8

- 10. The above-referenced Promissory Notes are securities as that term is defined pursuant to Section 2.1. of the Act;
- 11. Section 5 of the Act provides: All securities except those set forth under Section 2a of the Act, or those exempt under Section 3 of the Act, or those offered or sold in transactions exempt under Section 4 of the Act, or face amount certificate contracts required to be registered under Section 6 of the Act, or investment fund shares required to be registered under Section 7 of the Act, shall be registered either by coordination or by qualification, as provided in the Act, prior to their offer or sale in this State;
- 12. That Section 8 of the Act provides, <u>inter alia</u>: Except as otherwise provided in subsection A, every dealer and salesperson shall be registered as such with the Secretary of State;
- 13. The above referenced securities were not registered with the Secretary of State prior to their offer and sale in the State of Illinois;
- 14. During the relevant time period, Flatlander Industries, Inc. and Richard L. Eikenberg were not registered as either a dealer or salesperson in the State of Illinois;
- 15. Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation of the Act for any person to offer or sell securities except in accordance with the provisions of the Act;
- 16. Section 12.C of the Act provides, <u>inter</u> <u>alia</u>, that it shall be a violation of the Act for any person to Act as a dealer or salesperson unless registered as such, where such registration is required, under the provisions of the Act;

- 17. Section 12.D of the Act provided, inter alia, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act;
- 18. That by virtue of the foregoing, the Respondents have violated Sections 12.A, C and D of the Act;
- 19. Section 11.E(2) of the Act provides, inter <u>alia</u>, that if the Secretary of State finds that any person has violated Sections C or D of Section 12 of the Act, the Secretary of State may by written order temporarily or permanently prohibit or suspend the person from offering or selling any securities;
- 20. That Section 11.E(4) of the Act provides, <u>inter alia</u>, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act; and
- 21. That by virtue of the foregoing, the Respondents are subject to a fine of up to \$10,000.00 per violation and an Order of Prohibition.

WHEREAS, the Respondent have acknowledged that the allegations contained in paragraph eight (8) of the Stipulation shall be adopted as the Secretary of State's Conclusion of Law as follows:

- That by virtue of the foregoing, Flatlander Industries, Inc. and Richard L. Eikenberg have violated Sections 12.A, C and D of the Act; and
- That by virtue of the foregoing, Flatlander Industries, Inc. and Richard L. Eikenberg are subject to a fine of up to \$10,000 per violation and an Order of Prohibition.

NOW THEREFORE IT IS HEREBY ORDERED THAT:

## Consent Order

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- The allegations contained in paragraphs seven (7) and eight (8) of the Stipulation shall be and are hereby adopted as the Secretary of State's Findings of Fact and Conclusion of Law;
- 2. The Respondents shall pay Costs of Investigation of \$2,500 to the Securities Audit and Enforcement Fund by check made payable to the Secretary of State within fifteen (15) days from the entry of the Consent Order;
- The Respondents shall pay a monetary payment of \$6,635 З. to the Securities Investor Education Fund by check made payable to the Secretary of State within fifteen (15) days from the entry of the Consent Order said amount representing the fees received by Flatlander Industries, Inc. and/or Richard L. Eikenberg for the sales of unregistered securities; and
- The formal hearing scheduled on this matter is hereby dismissed without further proceeding.

ENTERED: This 9/1 day of Morenta , 2006.

esse White DAR Secretary of State State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

Attorney for the Secretary of State: David Finnigan Illinois Securities Department 300 W. Jefferson St., Suite 300A Springfield, Illinois 62702 Telephone: (217) 785-4947